

VZCZCXRO2348
PP RUEHAG RUEHAST RUEHBI RUEHCI RUEHDF RUEHIK RUEHLH RUEHLN RUEHLZ
RUEHPW RUEHROV RUEHVK RUEHYG
DE RUEHAH #0077 0151158
ZNR UUUUU ZZH
P 151158Z JAN 08
FM AMEMBASSY ASHGABAT
TO RUEHC/SECSTATE WASHDC PRIORITY 0080
INFO RUCNCLS/ALL SOUTH AND CENTRAL ASIA COLLECTIVE
RUCNCIS/CIS COLLECTIVE
RUCNMEM/EU MEMBER STATES COLLECTIVE
RUEHAK/AMEMBASSY ANKARA 3256
RUEHBJ/AMEMBASSY BEIJING 1071
RUEHKO/AMEMBASSY TOKYO 0942
RUEHIT/AMCONSUL ISTANBUL 1519
RUCPDOG/DEPT OF COMMERCE WASHDC
RHEHNSC/NSC WASHDC
RHMFIUU/CDR USCENCOM MACDILL AFB FL
RUEAIIA/CIA WASHDC
RHEFDIA/DIA WASHDC
RUEKJCS/JOINT STAFF WASHDC
RUEKJCS/SECDEF WASHINGTON DC
RUEHVEN/USMISSION USOSCE 2120

UNCLAS ASHGABAT 000077

SIPDIS

SENSITIVE
SIPDIS

STATE FOR SCA/CEN, EEB

E.O. 12958: N/A

TAGS: [PGOV](#) [PREL](#) [ECON](#) [ELTN](#) [IR](#) [KZ](#) [TX](#)

SUBJECT: CENTRAL ASIAN NORTH-SOUTH RAILWAY LINE: A LOT OF
HOPE, NOT A LOT OF PLANNING

REF: 07 ASHGABAT 1393

11. (U) Sensitive but unclassified. Not for public Internet.

GREAT HOPES RESTING ON NORTH-SOUTH LINE

12. (SBU) Head of the Ministry of Railway Transportation International Affairs Department Annamurat Horantsanliyev met January 7 with EconOff to discuss the Kazakhstan-Turkmenistan-Iran North-South railway line. Horantsanliyev is coordinating Turkmenistan's construction of the new railway line. He explained the North-South line is an important project for Central Asian countries because a railway line with direct links to Iran or Turkey is the only option for Central Asian countries interested in expanding their trade routes to Europe. He added that Kazakhstan, Turkmenistan, and Iran would soon hold discussions on matters such as monthly cargo capacity, limitations, and predictions. The countries will also discuss track gauge. (NOTE: The new North-South line will transport passengers and cargo. Currently, Turkmen trains to Iran transport only cargo. To travel within Iran, on a different size gauge, Turkmen trailers must be lifted by cranes onto the Iranian tracks in a multi-hour process. END NOTE.) So far, the three countries have not decided on a meeting place or time, although Horantsanliyev said that they would schedule meetings "perhaps this month." Horantsanliyev claimed that the European mass media features the North-South line on the news.

"WE'LL SEE WHAT IRAN OFFERS, AND WE'LL LISTEN TO ALL OFFERS"

13. (SBU) Horantsanliyev said, "We will see what they (Iranian officials) offer, and we'll listen to all offers. It's possible that the Ministry of Railroad Transportation will build it itself." He added Kazakhstan, Turkmenistan, and Iran will discuss all construction aspects of the project at the upcoming meeting as well. Horantsanliyev said that the Government of Turkmenistan already announced tenders for the purchase of construction materials.

14. (SBU) COMMENT: The Government of Turkmenistan has great hopes that the North-South railway line crossing Kazakhstan, Turkmenistan, and Iran will increase economic activity. However, the three countries still have many barriers to overcome before construction can commence. It appears that they announced construction before they came to agreement on important details, such as cargo capacity and track gauge. Given the potential for protracted negotiation between the neighbors (especially between Iran and Turkmenistan, which are currently engaged in an increasingly noisy gas price war -- see septel), this may not be a simple matter. END COMMENT.
HOAGLAND